

REMARKS/ARGUMENTS

Status of the application:

Prior to the entry of this amendment, claims 1-35 were pending in the application. The present amendment amends claims 1, 3-9, 11-15, 17, 19-21, 23, 26, 28, 29, 31-35 and adds claims 36-67. Hence after entry of this amendment, claims 1-67 are now pending in the application. Reconsideration of the subject application as amended is respectfully requested.

New and Amended Claims:

Claims 36-67 have been added to the application. Applicant submits that these claims are allowable over the cited art for at least the reasons discussed herein. Applicant further submits that the added claims do not disclose new matter. For instance support for the new claims can be found at, *inter alia*, page 3, lines 2-3, page 5, line 18 through page 7, line 10 and Figs. 1 & 2. In addition claims 1, 3-9, 11-15, 17, 19-21, 23, 26, 28, 29, 31-35 have been amended to more precisely claim what the applicant regards as his invention. Applicant submits that these amendments likewise do not recite new matter and Applicant notes that support for the amended claims can be found at, *inter alia*, page 3, lines 2-3, and Figs. 1 & 2 and supporting text (e.g. p.5, ln.18 - p.7, ln.10).

Claim Objections

With entry of the present Amendment, claim 28 has been amended to correct the minor error noted by the Examiner in the Office Action,

35 U.S.C. § 101 Rejection

Claims 1-35 have been rejected under 35 U.S.C. § 101 because the claimed invention is directed to non-statutory subject matter. More specifically, it is alleged that claims 1-35 are not within technological arts in that the recited steps of the claims can be performed without the use of any technological apparatus, system or method. Amendments to independent method claims 1 and 34 have been made so as to, *inter alia*, positively recite process steps performed by a computer system. Amendments to the independent apparatus claim 35 have been made so as to, *inter alia*, recite technological apparatus, a computer, that is an element of the apparatus claim.

It is believed that claims 1-35 are now in compliance with 35 U.S.C. § 101. Hence, Applicant respectfully requests that the foregoing rejection with respect to these claims be withdrawn.

35 U.S.C. § 112 Rejection

In the Office Action, Claim 12 was rejected under 35 U.S.C. § 112, second paragraph, as being indefinite. In particular, it was stated that there is insufficient antecedent basis in the claim for the limitation "the client's customer database." Amendments to claim 12 have been made. In particular, "the client's customer database" has been changed to "a customer database of the client." It is believed that claims 12 is now in compliance with 35 U.S.C. § 112. Hence, Applicant respectfully requests that the foregoing rejection with respect to this claim be withdrawn.

35 U.S.C. § 103 Rejection

In the office action, the three independent claims of the application - claims 1, 34 and 35 - are rejected for obviousness under 35 U.S.C. §103. In response, Applicant has amended claims 1, 34 and 35. As amended, claims 1 and 34 now include the limitation of "a payment service provider contracting with a client to provide payment accounts to the client's customers, wherein a customer of the client pays funds into the payment account and uses the funds to purchase goods or services from the client." The independent system claim, claim 35, contains a corresponding limitation "wherein the payment service provider contracts with a client to establish payment accounts for the client's customers and use the agent network to receive payments from the client's customers in order to fund the payment accounts for use by the client's customers to purchase goods or services from the client." These limitations, in combination with the other limitations of claims 1, 34 and 35 are believed to distinguish the subject matter of claims 1, 34 and 35 from the cited references, and put the claims in condition for allowance.

The two principal references relied on by the Examiner, Hensley and credit accounts used for purchasing goods or services (that the Examiner contends Applicant disclosed as prior art in the specification), do not teach or suggest Applicant's invention as now claimed. Hensley teaches a broker system in which a broker acts as an intermediary between customers and wholesalers of goods and services, wherein the broker maintains the privacy of customer

information by only providing the wholesalers with an alias for the customer. (Hensley ¶11). As disclosed in Hensley, unlike in Applicant's payment service method, the broker is involved in providing the goods or services ordered by the customer, either directly providing the goods or services to the customers or contracting with the wholesaler to provide the goods or services. (Hensley ¶18).

Hensley does not disclose or suggest, as claimed in the amended independent claims of Applicant's payment service method, a payment service wherein customers can make payments on account to the customer's payees. In fact, the only actual payment method disclosed in Hensley is one in which the wholesaler of goods and services sends billing information to the broker, identifying the customer by the alias provided by the broker, which the broker correlates to the customer and, in turn, transmits to the customer. (Hensley ¶23 and Claim 4). Hensley does not teach or suggest a payment service in which a customer pre-pays funds into a payment account that the customer subsequently uses to make payments to a supplier of goods and services. In particular, Hensley does not teach or suggest a payment method in which a client of a payment service provider, a supplier of goods or services, contracts with the payment service provider to establish payment accounts for the supplier's customers that the customers fund and use to make payments to the supplier.

With regard to the credit accounts, the Examiner has not provided a reference describing credit accounts for purchasing goods or services nor has the Examiner provided any details regarding what claim limitations are taught in such credit accounts. Instead the Examiner has identified the limitations of the Applicants claims that the Examiner states are taught by such credit accounts. As such, it is difficult for the Applicant to discern what the credit accounts for purchasing goods and services teach or suggest for purposes of this response. However, the term "credit" is defined as "the ability of a customer to obtain goods or services before payment, based on the trust the payment will be made in the future." (New Oxford American Dictionary University Press 2001) (emphasis added). As such, a credit account for purchasing goods or services does not teach or suggest, as taught in claims 1,34 and 35, a payment service system where a customer "pays funds into [a] payment account and uses the funds to purchase goods or services" from a seller.

As set forth in M.P.E.P. § 2143,

"[t]o establish a *prima facie* case of obviousness, *three* basic criteria must be met. *First*, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. *Second*, there must be a reasonable expectation of success. *Finally*, the prior art reference (or references when combined) must teach or suggest all the claim limitations. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, not in applicant's disclosure. *In re Vaeck*, 947 F.2d 488, 20 USPQ2d 1438 (Fed. Cir. 1991)."

All three elements set forth above must be present in order to establish a *prima facie* case of obviousness. However, as discussed above, the prior art references cited by the Examiner, Hensley and the credit payment methods, allegedly referred to by Applicant in the specification as prior art, do not teach or suggest all of the claim limitations of independent claims 1, 34, and 35, as amended. Hence, it is respectfully requested that the section 103 rejection of claims 1, 34 and 35 be withdrawn. Additionally, it is respectfully requested that, in accordance with MPEP 2143.03, the section 103 rejection of all claims depending from claim 1, claims 2-33, also be withdrawn.

Claims 1-3, 5, 8, 9, 12, 14, 17, 24, 31, and 32 are rejected under 35 U.S.C. § 103(a) as being unpatentable over Hensley (U.S. 2002/0087337) in view of Applicant's own admission. Claims 2, 3, 5, 8, 9, 12, 14, 17, 24, 31, and 32 depend from independent claim 1. As previously discussed in connection with the aforementioned independent claim, the amended claims are distinguishable over Hensley, Applicant's own admission and/or a combination thereof.

Claims 4, 6, 7, 10, 11, 13, 23, 34, and 35 are rejected under 35 U.S.C. § 103(a) as being unpatentable over Hensley/Applicant in view of Ganesan (U.S. 2002/0087469). Claims 4, 6, 7, 10, 11, 13 and 23 depend from independent claim 1 and claims 34 and 35 are themselves independent claims. As previously described, these independent claims are distinguishable over Hensley and Applicant, alone or in combination. Ganesan describes a method and apparatus for a payment service provider to securely make payments on a payor's behalf from the payor's bank

account. Ganesan does not teach or suggest a payment method in which a client of a payment service provider, a supplier of goods or services, contracts with the payment service provider to establish payment accounts for the supplier's customers that the customers fund and use to make payments to the supplier. Accordingly, claims 4, 6, 7, 10, 11, 13, 23, 34, and 35 are distinguishable over Ganesan alone or in combination with Hensley/Applicant.

Claims 15, 16, 18, and 19-22 are rejected under 35 U.S.C. § 103(a) as being unpatentable over Hensley/Applicant in view of Kolls (U.S. Pat. No. 6,601,038). Claims 15, 16, 18 and 19-22 depend from independent claim 1. As previously described, independent claim 1 is distinguishable over Hensley and Applicant, alone or in combination. Kolls describes a method and apparatus for effectuating electronic commerce and interactive advertising at the point of sale. Kolls does not teach or suggest a payment method in which a client of a payment service provider, a supplier of goods or services, contracts with the payment service provider to establish payment accounts for the supplier's customers that the customers fund and use to make payments to the supplier. Accordingly, claims 15, 16, 18 and 19-22 are distinguishable over Kolls alone or in combination with Hensley/Applicant.

Claims 25 and 26 have been rejected under 35 U.S.C. § 103(a) as being unpatentable over Hensley/Applicant in view of Fredregill et al. (U.S. Pat. No. 5,923,016). Claims 25 and 26 depend from independent claim 1. As previously described, independent claim 1 is distinguishable over Hensley and Applicant, alone or in combination. Fredregill describes a computer implemented consumer transaction point accumulation system. Fredregill does not teach or suggest a payment method in which a client of a payment service provider, a supplier of goods or services, contracts with the payment service provider to establish payment accounts for the supplier's customers that the customers fund and use to make payments to the supplier. Accordingly, claims 25 and 26 are distinguishable over Fredregill alone or in combination with Hensley/Applicant.

Claim 27 has been rejected under 35 U.S.C. § 103(a) as being unpatentable over Hensley/Applicant in view of Schutzer (U.S. Pat. No. 6,292,789). Claim 27 depends from independent claim 1. As previously described, independent claim 1 is distinguishable over Hensley and Applicant, alone or in combination. Schutzer discloses a method and system for

presentment of bills on a computer network. Schutzer does not teach or suggest a payment method in which a client of a payment service provider, a supplier of goods or services, contracts with the payment service provider to establish payment accounts for the supplier's customers that the customers fund and use to make payments to the supplier. Accordingly, claims 25 and 26 are distinguishable over Schutzer alone or in combination with Hensley/Applicant.

Claims 29 and 30 have been rejected under 35 U.S.C. § 103(a) as being unpatentable over Hensley/Applicant in view of Sullivan (U.S. Pat. No. 6,386,444). Claims 29 and 30 depend from independent claim 1. As previously described, independent claim 1 is distinguishable over Hensley and Applicant, alone or in combination. Sullivan discloses an apparatus and method for a card payment instrument providing that a percentage of consumer spending is rebated to the consumer. Sullivan does not teach or suggest a payment method in which a client of a payment service provider, a supplier of goods or services, contracts with the payment service provider to establish payment accounts for the supplier's customers that the customers fund and use to make payments to the supplier. Accordingly, claims 25 and 26 are distinguishable over Sullivan alone or in combination with Hensley/Applicant.

Claim 33 has been rejected under 35 U.S.C. § 103(a) as being unpatentable over Hensley/Applicant in view of Schutzer, and further in view of Kolls. Claim 33 depends from independent claim 1. As previously described, independent claim 1 is distinguishable over Hensley and Applicant, alone or in combination. Further, as previously observed, neither Schutzer nor Kolls teach or suggest a payment method in which a client of a payment service provider, a supplier of goods or services, contracts with the payment service provider to establish payment accounts for the supplier's customers that the customers fund and use to make payments to the supplier. Accordingly, claim 33 is distinguishable over Schutzer or Kolls alone, together, or in combination with Hensley/Applicant.

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Amdt. dated September 22, 2004
Reply to Office Action of July 14, 2004

PATENT

CONCLUSION

In view of the foregoing, Applicants believe all claims now pending in this Application are in condition for allowance. The issuance of a formal Notice of Allowance at an early date is respectfully requested.

If the Examiner believes a telephone conference would expedite prosecution of this application, please telephone the undersigned at 303-571-4000.

Respectfully submitted,


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